

To: John Vodopia

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cc: Timm Miller/NYC/PNA/PHILIPS@PHILIPS

Subject: us6301501(B1).pdf - Potter Roemer - Attorney Client

Privilege, Philips Confidential

Eric Halsne

Classification: Unclassified

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John,

Per our teleconference today, please find attached the patent at issue between HeartStation and Potter Roemer.

My understanding from the teleconference is that we can solicit price quotes from alternate vendors, and can provide specifications or boxes to assist them in developing price quotes. However, we should give those alternate vendors up-front notice that there is ongoing patent litigation in this area, and that Philips won't assume liability for infringement of the product per Section 7 of its Purchase Order Terms and Conditions.

I'd propose language to the vendors similar to the following:

"Please be advised that there is an ongoing patent dispute between the holder of U.S. Patent 6,301,501 and one of our current storage box vendors. Further, Philips intends to comply with Section 7 of its Purchase Order Terms and Conditions (copy attached) as to its own liability in any such dispute. Kindly consider these factors in your quote development."

Ken and John, are you both okay with providing the above language to alternate vendors along with any specs or materials necessary for them to develop a quote?

Thanks.

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